



The President's Daily Brief

March 6, 1976

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EGYPT-ISRAEL-SYRIA

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THAILAND



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OPEC

OPEC import prices, on which the oil producers have focused as justification for oil price hikes, have declined at an annual rate of 8 percent since March 1975. This should give Saudi Arabia and some other OPEC members grounds--if they choose to use them--to resist or curb the decision for a midyear oil price rise when the oil ministers meet in Jakarta in late May.

Three factors have contributed to the recent downward trend in OPEC import prices:

--Sluggish domestic demand and substantial unused capacity apparently induced industrial suppliers to cut prices to foreign markets.

--Wholesale price inflation fell to about half the 1974 rate in most industrial countries.

--The dollar appreciated in 1975, making imports from non-US suppliers less expensive in dollar terms.

Changes in the Soviet Leadership

Dropped

Minister of Agriculture Polyansky, no longer in the Politburo.

His position there has been tenuous since February 1973, when he was demoted from first deputy premier. His loss of Politburo status removes him from the long-term succession race, but does not help to clarify the positions of other contenders. The move has no very clear implications for foreign policy, and only some murky hints for the problem of reorganization of management of industry and agriculture.

Promoted

Party Secretary Ustinov, from candidate to full member of the Politburo.

Ustinov is responsible for the defense industry and Soviet space efforts. He is primarily a manager, not a policy maker, despite his Politburo status. He has made his career in the government apparatus, worked closely with Premier Kosygin, and transferred to party work only in 1965. The promotion from candidate to full Politburo member will not significantly affect the political balance in the Kremlin and casts no light on succession. Ustinov is 67.

Leningrad party boss Romanov, from candidate to full member of the Politburo.

Romanov has been regarded as a comer, and his promotion is no great surprise. He has acquired national prominence as an innovative industrial manager—by Soviet standards. His long-term prospects for succession have been improved, but he must still get an assignment in Moscow to be a credible contender.

Azerbaijani party boss Aliyev, to candidate member of the Politburo.

Aliyev's promotion is essentially to provide Kremlin representation for the Caucasus region. That has been the only major geographic area without someone in the leadership since Georgian party boss Mzhavanadze's retirement under fire in 1972. Aliyev is a relatively young and quite vigorous leader. As a member of a minority nationality, however, he cannot be expected to move very fast or very far in the Kremlin hierarchy.

Chief of the Central Committee's General Department Chernenko, to party secretary.

Chernenko's promotion was foreshadowed by a series of awards he received on Tuesday. His career association with Brezhnev covers two decades. Their paths first crossed when Brezhnev was party boss of Moldavia in the early 1950s and Chernenko was engaged in propaganda and agitation work there. His more recent career specialization has been general administration, handling the leadership's paper work. He accompanied Brezhnev to Helsinki in 1975. Chernenko's promotion to the Secretariat, however, does little more than formalize an existing arrangement and strengthen Brezhnev's hand in that body.

Pravda chief editor Zimyanin, to party secretary.

Zimyanin is a Belorussian, with presumed links to first deputy premier Mazurov and Belorussian party boss Masharov. As *Pravda's* chief editor he has played an even-handed role on policy questions and avoided divisive issues. Zimyanin will probably pick up the slot for culture and the intelligentsia, vacant since Demichev's demotion to minister of culture in 1974.

NOTES

The few changes in the Soviet leadership made at the party congress yesterday indicate continuity in national policy and style of leadership.

General Secretary Brezhnev's public stature has reached a new high, but he evidently will continue a consensus type of leadership. There is still no sign that preparations are being made for succession.

Agricultural Minister Polyansky, dropped from the Politburo, was the leadership's scapegoat for the harvest failures. The elevation of party secretary Ustinov, who maintains overall supervision of defense industry and space, completes the appointment to the Politburo of officials responsible for foreign policy and defense. Ustinov joins Foreign Minister Gromyko, Defense Minister Grechko, and KGB chairman Andropov, all of whom have been added to the Politburo in the past few years.

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Zaire yesterday closed down the Kinshasa headquarters of the National Front for the Liberation of Angola [REDACTED]

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[REDACTED] Mobutu, who apparently avoided making specific aid commitments, is not likely to support a National Front insurgency as long as his prospects for cooperation with Angolan President Neto appear good. For the time being, however, Mobutu will want to keep the Front alive to use against Neto in the event the Angolan leader does not live up to the agreement reached a week ago.

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Rhodesian nationalist leader Joshua Nkomo reportedly told London that, during their negotiating session last Monday, Prime Minister Smith offered immediate parity for blacks in the Rhodesian government and majority rule in five years.

Nkomo may be grasping at straws. Both Nkomo and Smith have a high stake in keeping the talks going to forestall a renewal of all-out guerrilla warfare. Smith's proposal was oral only, and the transcript of the meeting reportedly makes no mention of it.

Insisting that he has "an understanding" with Smith, Nkomo wants the British to call a constitutional conference in Salisbury before the end of March. The British are unlikely to take any such action unless they get an unequivocal commitment from Smith that he will move toward majority rule. London's special envoy who visited Salisbury last week saw no sign that the Prime Minister was relaxing his position.

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The Chinese rejected a Soviet proposal last week that the joint committee on Sino-Soviet river navigation meet this month in the Soviet far east.

Peking instead renewed its proposal of last year--which Moscow rejected then--that the committee take up territorial issues.

From 1956 through 1974, the committee met annually, alternately in China and the USSR, to discuss routine navigational matters along the rivers that form the de facto Sino-Soviet border. China's attempts to broaden the agenda of the talks and the Soviet refusal resulted in a postponement of last year's session. Riverine traffic was normal last year, and it is likely to be normal again this summer even in the absence of talks.

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